

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N.W.  
SUITE 200  
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

RECORDATION NO. 20698

FILED

MAY 30 '97

2-00PM

OF COUNSEL  
URBAN A. LESTER

RECORDATION NO. 20698-A, B

FILED

MAY 30 '97

2-00PM

MAY 30 1 59 PM '97

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

May 30, 1997

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are four (4) copies of a Memorandum of Master Equipment Lease Agreement, dated as of May 30, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and four (4) copies each of the following secondary documents related thereto: Memorandum of Lease Agreement, dated as of May 30, 1997, and an Assignment of Lease Agreement with Recourse, dated May 30, 1997.

The names and addresses of the parties to the enclosed documents are:

Memorandum of Master Equipment Lease

Lessor: Fleet Capital Corporation  
50 Kennedy Plaza  
Providence, Rhode Island 02903

Lessee: Flex Leasing Corporation  
234 Front Street, Suite 300  
San Francisco, California 94111

Mr. Vernon A. Williams  
May 30, 1997  
Page 2

Memorandum of Lease Agreement [Sublease]

Sublessor: Flex Leasing Corporation  
234 Front Street, Suite 300  
San Francisco, California 94111

Sublessee: CSX Transportation, Inc.  
500 Water Street  
Jacksonville, Florida 32202

Assignment of Lease Agreement with Recourse

Assignor: Flex Leasing Corporation  
234 Front Street, Suite 300  
San Francisco, California 94111

Assignee: Fleet Capital Corporation  
50 Kennedy Plaza  
Providence, Rhode Island 02903

A description of the railroad equipment covered by the enclosed documents is:

one hundred eighty-five (185) railcars bearing reporting marks and road numbers FLCX 100 through FLCX 284

Also enclosed is a check in the amount of \$72.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg  
Enclosures

**ASSIGNMENT OF LEASE AGREEMENT WITH RECOURSE**

RECORDATION NO. 20698-B FILED

TO: Fleet Capital Corporation  
50 Kennedy Plaza, 5th Floor  
Providence, Rhode Island 02903

MAY 30 '97 2-00PM

Re: Car Lease Agreement between Flex Leasing Corporation, a Delaware corporation ("Assignor"), as sublessor, and CSX Transportation, Inc., a Virginia corporation ("NS"), as sublessee, dated May 30, 1997.

1. For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor hereby sells, assigns, transfers and sets over to Fleet Capital Corporation, a Rhode Island corporation, its successors and assigns ("Assignee"), WITH RECOURSE as to the financial ability of CSX to pay, the above-referenced Lease Agreement (the "Sublease"), together with all payments due and to become due thereunder during the initial term of the Sublease, including, without limitation, all rental payments and insurance proceeds. Assignor also assigns to Assignee all of Assignor's right, title and interest in the property covered by and described in the Sublease (the "Leased Property"), and all of Assignor's rights and remedies thereunder, including the right to take, in Assignee's name, any and all proceedings, legal, equitable, or otherwise, that Assignor might otherwise take, save for this Assignment. This Assignment is given by Assignor to further secure its obligations to Assignee under that certain Master Equipment Lease Agreement No. 32386 dated as of April 14, 1997, by and between Assignee, as lessor, and Assignor, as lessee and Lease Schedule No. 32386-00003 dated May 30, 1997, attached thereto (collectively the "Head Lease"). Notwithstanding this Assignment, so long as no Event of Default has occurred and is continuing under the Head Lease, Assignor shall be permitted to collect all payments due from CSX under the Sublease and exercise all rights and remedies thereunder.

2. Notwithstanding this Assignment, Assignee shall have none of the obligations of the Assignor as lessor under the Sublease.

3. Assignor warrants that: Assignor is the owner of the Sublease free from all security interests, attachments, liens, encumbrances, and claims, except those in favor of Assignee; this Assignment is valid and effective; the Sublease is genuine, enforceable, noncancellable, and assignable to Assignee; Assignor will not grant, assign or permit any attachment, lien, encumbrance, security interest or claim against or in the Sublease or the Leased Property covered thereby, except to Assignee, nor will Assignor attempt to convey any interest in same. Assignor hereby appoints Assignee as its attorney-in-fact to execute, sign, file and record assignments or other memoranda with respect to the Sublease or the Leased Property covered thereby, as Assignee may deem in its sole discretion to be necessary or desirable to protect Assignee's interest in the Sublease and the Leased Property. If Assignor breaches any warranty contained herein, Assignee will have all of the rights and remedies set forth in the Head Lease and related documents.

4. Assignor shall have no authority to repossess or consent to the return of the Leased Property or modify the terms of the Sublease, without the prior written consent of Assignee.

Dated: May 30, 1997

ASSIGNOR:

FLEX LEASING CORPORATION

By: AD Hayes  
Title: President

**ASSIGNOR'S NOTARY PAGE**

STATE OF: CALIFORNIA

COUNTY OF: SAN FRANCISCO SS.

On May 30, 1997, before me, LOUIS GUTIERREZ personally appeared  
(Notary Name and Title)

DESMOND HAYES personally known to me (or proved to me on the basis of  
satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to within the  
instrument and acknowledged to me that he/she/they executed the same in his/her/their  
authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or  
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: *Louis Gutierrez*

(Notarial Seal)

